

P 122132Z APR 07
FM SECSTATE WASHDC
TO AMEMBASSY SINGAPORE PRIORITY

S E C R E T STATE 048895

E.O. 12958: DECL: 04/12/2032
TAGS: [PARM](#) [MTCRE](#) [PREL](#) [MNUC](#) [ETTC](#) [SN](#) [IR](#)

SUBJECT: (C) SINGAPORE: IRAN AND SYRIA NONPROLIFERATION
ACT - NOTIFICATION OF SANCTIONS AGAINST ONE SINGAPOREAN
ENTITY

REF: A. SINGAPORE 175
 [1](#)B. STATE 7886
 [1](#)C. 06 SINGAPORE 3180
 [1](#)D. 06 STATE 153425
 [1](#)E. 05 SINGAPORE 1055
 [1](#)F. 05 STATE 61519

Classified By: ISN/MTR DIRECTOR PAM DURHAM FOR REASONS 1.4 (B),
(D), AND (H).

[1](#)1. (U) This is an action request for Embassy
Singapore. Please see paragraph 6.

[1](#)2. (S) Background: The Iran and Syria
Nonproliferation Act (ISNA) requires periodic reports
to Congress identifying foreign entities with respect
to whom there is credible information indicating that
they have transferred to or acquired from Iran or Syria
items on multilateral lists (Australia Group (AG),
Chemical Weapons Convention (CWC), Missile Technology
Control Regime (MTCR), Nuclear Suppliers Group (NSG),
and the Wassenaar Arrangement (WA)) or other items with
the potential to make a material contribution to
missile, WMD, or other certain weapons programs.

[1](#)3. (S) The USG has determined that Sokkia Singapore
Pte Ltd. has engaged in activities, as noted above,
that warrant the imposition of measures pursuant to
Section 3 of the ISNA. Specifically, Sokkia Singapore
in 2004 shipped theodolites to a suspected front
company for the Shahid Hemmat Industrial Group (SHIG),
the entity responsible for Iran's liquid-fueled
ballistic missile program. We first raised this issue
with GOS authorities in April 2005, asking them to
investigate and take measures to ensure that entities
in Singapore did not assist missile programs in Iran,
and advising them that sanctions pursuant to U.S. law
could result from Sokkia Singapore's actions (Ref F).
In September 2006, we reminded our Singaporean
interlocutors that we were still waiting to hear what
actions they had taken in this case (Ref D). In
response, Singapore officials said that they were
engaged in ongoing surveillance of Sokkia Singapore,
but also said that an investigation could move forward
only if they were given evidence that the items were
going to Iran's missile program, and doubted that the
case could be successfully prosecuted (Ref C). In
January 2007, we clarified with the GOS that we were
not requesting that Singapore prosecute Sokkia
Singapore, but repeated our warning about the
possibility of the imposition of sanctions (Ref B).
GOS officials said that they planned to contact Sokkia
Singapore as part of their industry outreach effort
prior to expanding Singapore's export control list, and
said that the MFA would provide us with the details of
their investigation once completed (Ref A). Since that
time we have not received any additional information
from the GOS on this case.

[1](#)4. (S) Pursuant to the provisions of the ISNA, the
following penalties are imposed on Sokkia Singapore
Pte. Ltd., its subunits, subsidiaries, and successors:

a. No department or agency of the United States

Government may procure, or enter into any contract for the procurement of any goods, technology, or services from them;

b. No department or agency of the United States Government may provide any assistance to them, and they shall not be eligible to participate in any assistance program of the United States Government;

c. No USG sales to them of any item on the United States Munitions List are permitted, and all sales to them of any defense articles, defense services, or design and construction services under the Arms Export Control Act are terminated; and

d. No new individual licenses shall be granted for the transfer to them of items, the export of which is controlled under the Export Administration Act of 1979 or the Export Administration Regulations, and existing such licenses are suspended.

These measures, which will take effect shortly, will remain in place for two years. We want to provide advance notice to the Singaporean Government of this decision, note that this determination will be published soon in the Federal Register, and make clear that the penalties are only on the specific entity involved in this case and not on any other entity or on any part of the government of Singapore. End Background.

¶5. (S) Purpose/Objective: To inform the host government of the sanctions determination prior to its publication in the Federal Register.

¶6. (S) Action request: Post is requested to provide the following suggested talking points to appropriate Singaporean government officials and report response. Talking points also may be provided as a non-paper.

¶7. (S//REL SINGAPORE) Suggested Talking Points:

-- The United States has determined that there is credible information indicating that Sokkia Singapore Pte. Ltd. transferred to Iran items that have the potential to contribute materially to missile programs in Iran.

-- Specifically, as we first advised you in April 2005, Sokkia Singapore in 2004 shipped dual-use items to a suspected front company for the Shahid Hemmat Industrial Group (SHIG), the entity responsible for Iran's liquid-fueled ballistic missile program.

-- Among the items transferred to SHIG were theodolites, which can be used in a missile program to calibrate and align guidance and navigation instruments.

-- Accordingly, pursuant to the provisions of the Iran and Syria Nonproliferation Act (ISNA), the following measures are imposed on Sokkia Singapore Pte. Ltd and its successors, subunits, and subsidiaries:

a. No department or agency of the United States Government may procure, or enter into any contract for the procurement of any goods, technology, or services from them;

b. No department or agency of the United States Government may provide any assistance to them, and they shall not be eligible to participate in any assistance program of the United States Government;

c. No USG sales to them of any item on the United States Munitions List are permitted, and all sales to them of any defense articles, defense services, or design and construction services under the Arms Export

Control Act are terminated: and

d. No new individual licenses shall be granted for the transfer to them of items, the export of which is controlled under the Export Administration Act of 1979 or the Export Administration Regulations, and existing such licenses are suspended.

-- These measures will take effect shortly and will remain in place for two years.

-- This determination will be published soon in the Federal Register.

-- We want to make clear that these penalties are being levied only on the involved entity, Sokkia Singapore Pte. Ltd., and not on any other entity or on any part of the Singapore government.

(if asked)

-- We take into account available information - including enforcement actions by your government - in making sanctions determinations.

18. (U) Please slug any reporting on this issue for ISN/MTR and EAP/MTS. A response is requested as soon as possible. Department point of contact is Matt Hardiman, ISN/MTR, 202-647-3176 (hardimanmx@state.sgov.gov).
RICE

NNNN

End Cable Text